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# State of Utah

## DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER  
Executive Director

### Division of Oil, Gas and Mining

JOHN R. BAZA  
Division Director

June 6, 2011

CERTIFIED RETURN RECEIPT  
7005 2570 0000 4801 6331

Scott Nussbaum  
Utah Department of Transportation  
166 Southwell Street  
Ogden, Utah 84404

Subject: Evaluation of Reclamation Surety, UDOT Beck Street Mine, M/011/0003, Davis County, Utah

Dear Mr. Nussbaum: *Scott*

The Division of Oil, Gas and Mining's last reclamation cost estimate for the UDOT Beck Street mine was completed in 2006 and escalated to 2011 dollars, so the reclamation surety amount is now due for review and adjustment. **The escalation due date is August 18, 2011.** The Division may adjust the amount of reclamation surety as the result of a periodic review taking into account inflation/deflation based on an acceptable cost index (R647-4-113.6).

The standardized spreadsheets have been developed to assist both the Division and mine operators to calculate the reclamation surety amount using standard unit costs. The forms can be found at:

[http://linux1.ogm.utah.gov/WebStuff/wwwroot/minerals/bonding\\_worksheets.html](http://linux1.ogm.utah.gov/WebStuff/wwwroot/minerals/bonding_worksheets.html)

By July 18, 2011, please complete these forms and return a copy to the Division for review. Once the forms have been reviewed, the Division will ask that you adjust the amount of surety to reflect the current reclamation cost. Please submit the reclamation cost estimate as an amendment to the Notice of Intention to Commence Large Mining Operations (LMO) so the information is incorporated into the approved plan.

If you have questions about the spreadsheet or calculations, please contact Wayne Western at 801-538-5263 or by e mail at [waynewestern@utah.gov](mailto:waynewestern@utah.gov).



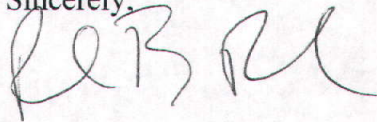


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The Division also requests that you review the current LMO is adequate and reflects the current operation conditions. Any necessary changes should be addressed by submitting an amendment to the LMO.

Thank you for your cooperation. Please call me at 801-538-5261 or the Leslie Heppler at 801-538-5257 if you have questions about this letter.

Sincerely,

A handwritten signature in black ink, appearing to read 'P. B. Baker', written in a cursive style.

Paul B. Baker  
Mining Program Manager